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December 7, 2005

VIA HAND DELIVERY

Hon. Jean Stone, Hearing Officer Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37238

> Re: Petition for Arbitration of XO Tennessee, Inc. with BellSouth Telecommunications, Inc. Pursuant to the Telecommunications Act of 1996

Docket No. 03-00630

Dear Hearing Officer Stone:

This is in response to your Notice of November 22, 2005. BellSouth and XO continue to negotiate. In fact, the parties had settlement discussions as recently as December 6, 2005. However, there is nothing new to report in terms of a settlement, other than what has previously been reported to the Authority.

Local counsel for XO has approved the submission of this letter on XO's behalf.

Guy M. Hicks

GMH:ch

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CERTIFICATE OF SERVICE

I hereby certify that on December 7, 2005, a copy of the foregoing document was served on the following, via the method indicated:

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